



# FAIRFAX COUNTY

## OFFICE OF THE COUNTY EXECUTIVE

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V I R G I N I A

February 28, 2000

Honorable Board of Supervisors  
County of Fairfax  
Fairfax, Virginia

Madam Chairman, Ladies and Gentlemen:

I am pleased to transmit to the Board of Supervisors our budget proposal for Fiscal Year 2001 which totals \$3,528,921,348 including General Fund Disbursements of \$2,108,570,075, a 5.14 percent increase over the *FY 2000 Revised Budget Plan*. The FY 2001 Advertised Budget Plan is in conformance with the Board's Budget Guidelines which limit County and School expenditure increases to the projected growth in available revenues.

Fairfax County government has entered the new millennium strong and vibrant. Bolstered by a sound economy and guided by prudent financial management decisions, our organization is prepared to tackle the challenges that confront us today and will face us tomorrow. We spoke in last year's budget of seeds of change being planted throughout the organization – through the initiatives of our employee task forces, the strategic work of our senior management staff and through the creative and invaluable input of our citizens, customers and business partners in the community. Many of these seeds have now taken root and are producing positive changes in the way we provide service, communicate inside the organization and explore initiatives.

Change IS occurring in Fairfax County government. Driven by both external and internal factors, these changes are necessary for continuous improvement and essential in meeting the changing and growing needs of our residents. As part of the efforts of our task forces, we have a new employee vision statement for Fairfax County that expresses our commitment to excellence. We are introducing a new Competitiveness Model for determining the best, most efficient method for service delivery. Due to the efforts of our Communications Task Force, we have implemented a number of communication initiatives to ensure that all County employees are well informed regarding the County's mission of service to the community and issues that affect their performance. Based on the recommendations of the Position Control Task Force, we have simplified and streamlined our personnel and budget processes while providing greater flexibility and increased accountability. We are beginning, with the assistance of

the Leadership and Development Task Force, a significant leadership and management development program to train a new generation of County leaders. We have proposed, through the work of the Compensation Task Force, significant improvements to our employee compensation program that are aimed at improving service delivery through recruitment and retaining highly qualified employees and by rewarding and holding employees accountable through a new Pay for Performance program. Finally, through technology, we have continued to expand access to information for employees in the workplace, citizens in their homes, and people around the world. Fairfax County is on the leading edge of e-government, with a public access system that is increasing its capabilities each month, enabling more citizens to transact business on-line rather than standing in line.

The momentum for change in our organization is at a critical stage. Our past investments in change initiatives have resulted in significant improvements within the organization. As a guide for the future, we have developed a Model for Change that clearly sets forth a blueprint for future improvements. This model places a priority on employee and citizen involvement in future change, and it emphasizes greater accountability, greater flexibility and responsiveness, and continuous improvement within our organization. The Model for Change was highlighted in a recent issue of the County's "Changing Times" and is available for review.

Now is the time to invest in the resources needed to sustain the momentum for long-term change in our organization. To equip our organization to respond better to shifting priorities and changing needs, and to support our efforts to improve the quality and efficiency of our services, investments must continue to be made in services, employees and infrastructure.

The challenges and issues we confronted in developing the FY 2001 budget clearly demonstrate the urgency for continued investment in making our organization stronger and more adaptable to changes occurring outside of the organization.

## **FY 2001 BUDGET DEVELOPMENT**

There are a number of issues important to the development of the FY 2001 budget. These include:

- Our growing and changing population and the service needs of our residents.
- Our local economy and its impact on County resources.
- State revenue sharing policies and limits on local government revenue options.
- The elimination of the structural budget deficit and the continuation of strategies to prevent future imbalance.

### **County demographics and service levels:**

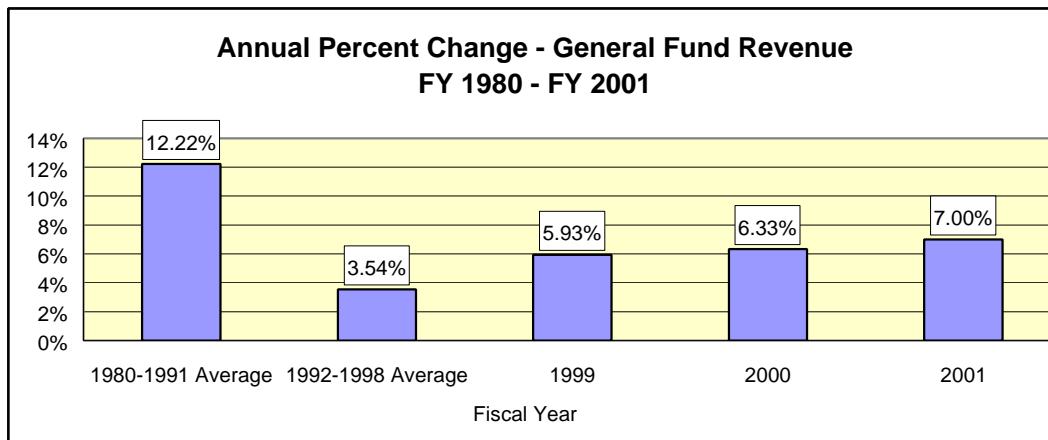
In FY 2001, Fairfax County is projected to have 978,219 residents and, by 2003, our population will exceed one million persons! In the last decade, Fairfax County added approximately 14,000 residents annually. Our fastest growing segment, seniors over 65, is expected to double in size by 2010. Significant growth in the children under 19 segment is also expected. The size and age distribution of our population has many direct and indirect impacts on County services in areas such as education, elderly care, housing, public safety, and cultural/recreation opportunities.

Population growth is not the only factor in changing and increasing service requirements. Transportation-related challenges continue to confront Fairfax County, which continues to be a growing residential community and a regional employment center. Since 1991, Fairfax County has generated more than 140,000 net new jobs. The percentage of County residents who live and work in the County has increased to 51.0 percent from 49.7 percent in 1990 and 37.8 percent in 1980. In addition, the rapid growth in areas just outside the County has increased the number of vehicles traveling through the County. Average daily traffic counts on interstate and primary highways in the County have increased more than 70 percent since the mid-1980's. This increased volume places more pressure on the County's transportation network requiring attention in areas of transit, road and spot improvement construction, and traffic control. We are seeing an increase in the expectations of citizens for fast and easy access to County services and will see an increased emphasis on technological solutions via the Internet to address these demands. In some cases, additional staff is required to meet customer expectations for timely service response.

Environmental factors from the elimination of the gypsy moth and cankerworm, to the implementation of measures to adequately control stormwater runoff and land preservation for open space are of increasing concern. State mandates continue to require additional County resources. This year, for example, agencies such as Juvenile and Domestic Relations Court and Police require additional staff and/or funding to meet requirements imposed by new State regulations or procedures. In general, these service requirements are increasing at a rate higher than the rate of County revenue growth.

### Overview of the economy/County revenues:

The economy performed very well on all levels in 1999. An extension of the longest economic expansion in U.S. peacetime history, sustained job growth, and strong consumer confidence on the national level, coupled with skyrocketing retail sales and robust sales of existing homes on the local level, are all testaments to the economy's strength. As a result, however, the last several months have been plagued by interest rate concerns, fueled by a desire by the Federal Reserve to slow the economy and more cautious optimism among consumers. The stock market, for example, has suffered several significant down days. While the market has been quick to rebound, the extreme volatility is cause for concern among casual investors. Although County residents have been fortunate enough to reap the benefits of a strong economy, the low unemployment rate continues to be a potential detriment to longer-term economic stability. In addition, an increase in general inflation may impact the cost of goods. Most recently, increases in gasoline and other fuel prices have occurred and may drive up costs in other markets. Many of the local high tech companies may either bid up wages to attract skilled individuals or begin to look to other areas for labor. In September, the County's Leading Index, which is designed to forecast the performance of the County's economy 9 to 12 months in the future, failed to outperform its twelve month moving average for the first time in more than a year. If this most recent weakness in the Index is repeated in the coming months, economic conditions in the County are anticipated to soften. While the economy is still considered by many accounts to be strong, moderation is on the horizon.



As can be seen from the above chart, County revenues are estimated to increase 7.0 percent in FY 2001. While County revenues have been experiencing steady increases over the last few years, the growth rates pale in comparison to that registered in the 1980s and that being experienced in the state and national economies. From FY 1980 to FY 1991, for example, the County's Real Estate base increased an average of 16.3 percent per year. This sharply contrasts the 1.9 percent average annual growth achieved from FY 1991 to FY 2001. Additionally, current budget surpluses on the national and state levels are accruing due to significant growth in income tax revenues. Since 51.3 percent of the County's General Fund revenues are derived from real estate property tax revenues, the County's revenue increase has not been as dramatic. For example, total FY 1999 General Fund revenues for the State of Virginia increased 10.6 percent which included an increase of 12.6 percent in the State income tax revenues, while Fairfax County's General Fund revenues increased 5.9 percent including an increase in current Real Estate Tax revenue of 4.0 percent. It should be noted that Northern Virginia residents which comprise approximately 25 percent of the State's population, are largely responsible for the increase in State tax revenues as Northern Virginia's individual returns make up more than 39 percent of the State's individual income taxes.

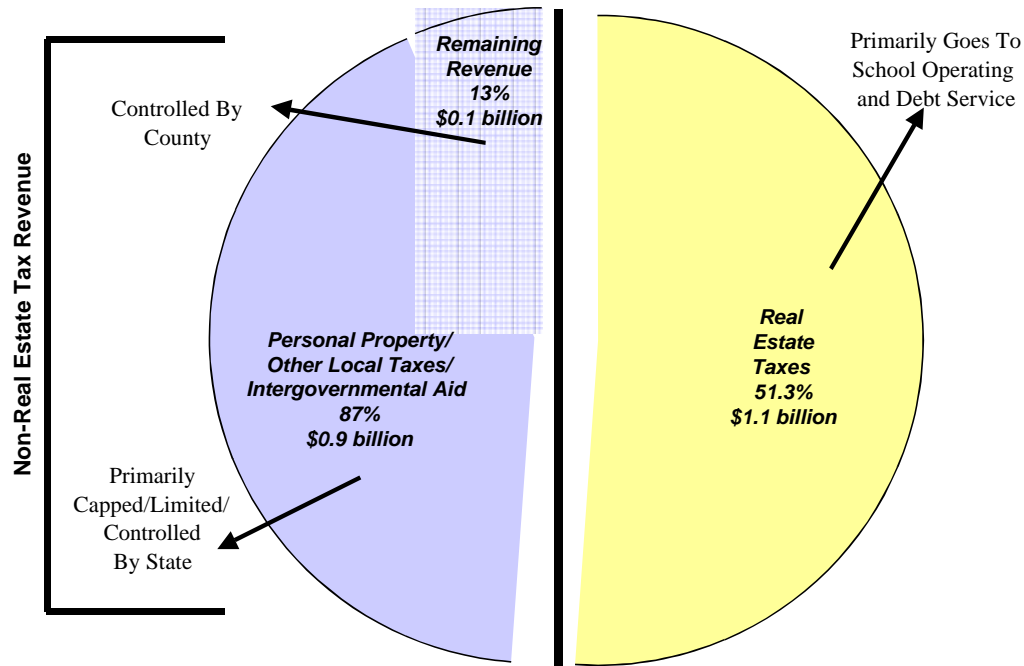
**Significant increases in State income tax receipts have been driven by the growth in the population and the expanding economy. This same population and business growth is occurring in Fairfax County and with it, expanded service requirements. Unfortunately, the County's limited revenue base has not grown to keep pace with these expectations.**

### State limits on local government revenue options and State revenue sharing policies:

As mentioned earlier, the strong economy has fueled significant growth in the State's economy-sensitive revenue categories such as individual income and sales taxes. In FY 1999, for example, the Commonwealth registered a revenue surplus of \$167.6 million - \$137.4 million, or 82.0 percent, of which is attributable to individual income taxes. Unfortunately, the County is not likely to benefit from the State surplus as the monies are earmarked for tax relief and special projects. It appears also unlikely that a significant amount of additional state dollars will be available for our schools. According to FCPS staff, in the next two years, almost one-third of all student growth in the Commonwealth of Virginia will occur in Fairfax County, yet Fairfax County will receive only 4 percent in additional state resources to support this growth!

It should be further noted that the County's revenue base and taxing authority are significantly restricted by the State. As reflected by the following chart, 51.3 percent of County revenue is derived from real estate taxes. In general, these funds equate very closely to the total amount transferred to FCPS for School operations and debt service. The remaining portion of the County's revenue base is made up primarily of personal property taxes and other local taxes, the largest of which are local sales tax, utility taxes and BPOL tax receipts. Each of these categories of revenue is tightly controlled by the State which has either placed a cap on the tax, controls use and expenditure of the tax revenue within the local jurisdiction, or can exempt entire categories of taxpaying entities from paying certain taxes without involving localities. Adding together the revenue generated from personal property taxes and other local taxes controlled in whole or in part by the State, plus other direct intergovernmental aid, the County is faced with a situation in which clearly 87 percent of its non-real estate tax revenues are capped, limited or controlled by the State. (See pie chart.) With only 13 percent of its non-real estate tax revenue at its discretion, the County is increasingly reliant on the local real estate tax and a revenue base that does not grow proportionally with economic or population expansion. Rather than diversifying our revenue base, we are becoming increasingly dependent on the State, especially under various scenarios being reviewed as a result of proposed General Assembly legislation. Our concern continues to be that should tough economic times strike and history has indicated that the economy runs in cycles, Virginia localities are not likely to get support from the State, nor do they have the authority to generate additional revenues.

## ***Allocation of County Revenues***



**Total FY 2001 General Fund Revenues = \$2,111,949,618**

### Elimination of structural budget deficit:

As a result of actions taken by the Board of Supervisors, the structural imbalance between recurring revenue and expenditures has been eliminated. Since the recession of the early 1990's and due in large part to the County's limited revenue options, the County's budget had been dependent on the application of one-time reserves to fund recurring expenditure requirements. However, stringent Budget Guidelines adopted and adhered to by the Board of Supervisors, expenditure reductions achieved as a result of program elimination, modification and reengineering and efficiencies gained from business process redesigns have allowed County spending requirements to be accommodated within the annual resources available.

In FY 2001, anticipated revenues are sufficient to support County disbursements without the utilization of any one time reserves. It is imperative that Fairfax County continue its strict adherence to the Budget Guidelines reaffirmed annually by the Board of Supervisors which limit increases in County and School spending to the increase in annual

revenues. Available balances in set-aside reserves as well as one-time or limited increases in State revenue should be focused, as much as possible, on non-recurring purposes such as paydown capital construction, capital equipment, vehicle replacements and other infrastructure requirements.

## **STATUS OF FY 2000 BUDGET**

As part of the FY 2000 Third Quarter Review, staff will be providing the Board in March with an update on FY 2000 revenues and disbursements. It is clear that the strong economy has resulted in higher than originally anticipated revenues in a number of categories. Based on a preliminary analysis in December, additional FY 2000 revenue of \$24.0 million is projected. In addition, FY 1999 audit adjustments will increase the balance by \$0.8 million for a total available balance of \$24.8 million. **It must be emphasized that this projected balance represents non-recurring revenues.** More than two-thirds of this increase is in two revenue categories – sales tax and interest on investments. Both of these revenue categories are extremely sensitive to the strength of the current economy. As noted in previous budgets, sales tax receipts are extremely variable and difficult to project. Through January 2000, fiscal year sales tax receipts were up nearly 17 percent. However, the February receipts which represent December's holiday sales dropped 11.6 percent, the first decline since December 1998. For the first seven months of the fiscal year, sales tax receipts are still up more than 11 percent over the same period in FY 1999. Strong consumer confidence and robust retail sales are responsible for the growth in sales tax. Interest on investment yields are reflective of the interest rate increases driven by actions taken by the Federal Reserve to address what it has sometimes considered too quick a pace of economic growth. In the past year, the Federal Reserve has increased the cost of borrowing money four separate times. The most recent increase occurred in February and additional increases are anticipated in 2000.

It should be noted that the FY 2001 impact associated with these projected revenue increases has already been incorporated in the FY 2001 estimate. Staff will continue to monitor these and other revenue categories prior to both the FY 2000 Third Quarter review and in advance of the FY 2001 Add-On review and will return to the Board with revised information prior to the adoption of the FY 2001 budget.



In addition to minor administrative adjustments which may be necessary in the FY 2000 budget, there are two fairly significant requirements which will need to be addressed from the additional revenue presented at the FY 2000 Third Quarter review. These include:

- **Additional funding for Foster Care/CCAP/CSA:** Based on staff analysis of client and expenditure information, additional County funding for the Foster Care and Adoption, Child Care Assistance Program (CCAP), and Comprehensive Services Act (CSA) program areas will be required in both the FY 2000 and FY 2001 budget. Average monthly caseload increases, a larger proportion of high severity needs cases, and State required vendor rate increases in these programs as well as the State's delay in implementing phased-in Medicaid funding for the CSA program have resulted in the need for additional County support of these programs. Additional information regarding State and Federal funding proposals for these programs is anticipated and a detailed analysis will be conducted at the FY 2000 Third Quarter and Add-On Reviews. However, given current estimates, additional County funding up to \$3.5 million in FY 2000 and up to \$6.0 million in FY 2001 may be necessary to maintain the existing level of service to eligible clients. A reserve of \$3.0 million has been identified in the FY 2001 budget to offset a portion of the FY 2001 requirements.
  
- **Solid Waste Funds Operating Shortfall:** The County's solid waste disposal program has come under significant financial pressure recently from a number of factors, most notably an adverse decision in 1994 of solid waste flow control by the United States Supreme Court and the competition arising from the development of several large landfills within Virginia and in neighboring states. As a result of competitive pricing resulting from these factors, continued migration of refuse from the County's waste stream and the need to maintain the tonnage levels at the Energy Resource Recovery Facility (ERRF), disposal rates have been reduced to a competitive level and annual program revenue has not been sufficient to support operational requirements since 1995. Program costs have exceeded revenues by a yearly average of \$4.8 million. Reserves available within the Solid Waste funds have been used and capital expenditures deferred to address this shortfall. In addition, the Division of Solid Waste has implemented a number of different initiatives in order to address the reduced revenue base and tonnages resulting from competitive pricing. Actions taken include the reduction of positions and operating costs based on the agency's initiative and reductions in the operational and workload

requirements, and innovative waste programs to identify new solid waste markets. Current reserves in the Solid Waste funds will support approximately one more year of operation without an additional revenue adjustment. Should the market for disposal tonnage remain as competitive as now, an outside source of income will be needed to maintain disposal operations at a level required to meet the contractual tonnage levels. Staff will return with options for the Board's consideration to address the County's refuse disposal system income requirements on a long-term basis. One option may include General Fund support to those programs mandated by the State or the County that are not fully self-supporting (i.e., enforcement, recycling and household hazardous waste). Funds identified at the Third Quarter Review may be recommended to offset a portion of this shortfall and provide adequate operating reserves due to the volatility of the market.

According to guidelines adopted by the Board, 40 percent of non-recurring balances identified at quarterly reviews and not required for critical items will be allocated to the Revenue Stabilization Fund. This Fund, established by the Board in 1999, provides a mechanism to accrue balances during periods of economic growth to be drawn upon during periods of economic slowdown; a reserve balance equal to 3 percent of General Fund disbursements has been targeted. FY 2000 funding in excess of that required for these items and administrative adjustments will be available for the Board's consideration. As noted earlier, because the impact of this revenue increase has been incorporated in FY 2001 revenue estimates, this balance should be considered one-time and designated for one-time, non-recurring items.

## **FY 2001 BUDGET**

### **GENERAL FUND REVENUES:**

FY 2001 revenues are projected to be \$2,111,949,618, an increase of \$138,257,156 or 7.0 percent over the anticipated FY 2000 levels. This increase is driven primarily by an increase of \$86.8 million in real estate tax revenues. The FY 2001 real estate tax base is projected to increase 8.94 percent in FY 2001 due to an increase in equalization of 5.13 percent and a rise of 3.81 percent in new construction. This increase in the real estate tax base

is the strongest since the recession of the early 90's. However, as noted earlier, the real estate base increased only an average of 1.9 percent per year in the last decade as compared to the 1980s' increase of 16.3 percent per year.

The increase in our tax base is due primarily to a substantial recovery in the residential tax base. Since the value of residential properties, which represents approximately 71 percent of the County's Real Estate Tax base increased less than one percent for the last several years, the overall increase in equalization was stymied. However, overall residential equalization in FY 2001 increased 5.13 percent, with all types of residential properties experiencing increases.

Other categories of revenue reflecting strong increases in FY 2001 include personal property tax, sales tax receipts and interest on investment. As indicated, these categories are sensitive to the current economic climate and may require further adjustment prior to the Add-On Review based on year to date receipts.

#### **GENERAL FUND DISBURSEMENTS:**

The FY 2001 General Fund disbursements are recommended at \$2,108,570,075, which reflects an increase of \$103,167,133 or 5.14 percent over the FY 2000 Revised Budget Plan. Included in this amount is a transfer of \$960,231,488 to the School Operating Fund, which reflects an increase of \$62,818,883 or 7.0 percent over FY 2000, and is in conformance with the Budget Guidelines approved by the Board of Supervisors.

The actual transfer request approved by the School Board on February 10, 2000 is \$1,035,679,607 and reflects an increase of \$138,267,002 or 15.41 percent over the FY 2000 transfer. The School Board's request exceeds the 7.0 percent Budget Guidelines by \$75.4 million. In order to fully fund the School Board's request, additional resources would need to be considered by the Board of Supervisors. It should be noted that the requested transfer for the School operating fund actually exceeds the total increase in FY 2001 General Fund revenues.

General Fund direct expenditures are recommended at \$807,590,128 reflecting an increase of \$28,394,263 or 3.64 percent over the *FY 2000 Revised Budget Plan*. Some of the significant adjustments included in this increase are compensation recommendations, funding for new facilities, and funding to address public safety workload requirements.

A summary of the major recommendations included in the FY 2001 budget is presented below. Details concerning each of these items can be found in the various budget volumes.

**Summary General Fund Statement**  
(in millions of dollars)

	<b>FY 2000 Revised Budget Plan</b>	<b>FY 2001 Adopted Budget Plan</b>	<b>Increase (Decrease)</b>	<b>Percent Inc/(Dec)</b>
<b>Beginning Balance</b>	<b>\$95.15</b>	<b>\$55.77</b>	<b>(\$39.37)</b>	<b>-41.38%</b>
<b>Revenue</b>	<b>\$1,982.71</b>	<b>\$2,135.37</b>	<b>\$152.66</b>	<b>7.70%</b>
<b>Transfers In</b>	<b>\$1.52</b>	<b>\$1.68</b>	<b>\$0.16</b>	<b>10.76%</b>
<b>Total Available</b>	<b>\$2,079.37</b>	<b>\$2,192.82</b>	<b>\$113.45</b>	<b>5.46%</b>
<b>Direct Expenditures</b>	<b>\$784.78</b>	<b>\$819.45</b>	<b>\$34.67</b>	<b>4.42%</b>
<b>Transfers Out</b>				
School Transfer	\$897.41	\$985.23	\$87.82	9.79%
School Debt Service	\$89.46	\$95.25	\$5.79	6.47%
<b>Subtotal Schools</b>	<b>\$986.87</b>	<b>\$1,080.48</b>	<b>\$93.61</b>	<b>9.49%</b>
Metro	\$7.05	\$12.67	\$5.63	79.87%
Capital Paydown	\$23.36	\$19.42	(\$3.94)	-16.87%
Information Technology	\$15.84	\$18.39	\$2.56	16.13%
County Debt Service	\$94.61	\$94.67	\$0.06	0.06%
Other Transfers	\$111.09	\$104.74	(\$6.35)	-5.72%
<b>Subtotal County</b>	<b>\$251.95</b>	<b>\$249.89</b>	<b>(\$2.05)</b>	<b>-0.82%</b>
<b>Total Transfers Out</b>	<b>\$1,238.82</b>	<b>\$1,330.37</b>	<b>\$91.56</b>	<b>7.39%</b>
<b>Total Disbursements</b>	<b>\$2,023.60</b>	<b>\$2,149.83</b>	<b>\$126.23</b>	<b>6.24%</b>
<b>Ending Balance</b>	<b>\$55.77</b>	<b>\$43.00</b>	<b>(\$12.78)</b>	<b>-22.91%</b>
Less:				
Managed Reserve	\$40.47	\$43.00	\$2.52	6.24%
<b>Total Available</b>	<b>\$15.30</b>	<b>\$0.00</b>	<b>(\$15.30)</b>	<b>-100.00%</b>

## **BUDGET HIGHLIGHTS**

### **Investment in Public Education**

- In conformance with the Budget Guidelines, a transfer of \$960,231,488 to the School Operating Fund is included and represents an increase of \$62,818,883 million or 7.0 percent.
  
- On February 10, 2000, the School Board approved a transfer request of \$1,035,679,607 which reflects an increase of \$138,267,002 or 15.41 percent. This request is \$75.4 million greater than the Budget Guidelines. In order to fully fund the requested transfer level, additional resources would need to be considered by the Board.
  
- The FY 2001 transfer for School Debt services is \$95,250,687, an increase of \$7.0 million over the FY 2000 level. The combined recommended transfer for School operating and School debt service is \$1.06 billion which represents 50.1 percent of total County disbursements. In FY 2000, the Board of Supervisors increased authorized school bond sales from \$100 million to \$130 million at the request of the School Board who proposed utilizing State lottery proceeds to support the additional debt service. This level of sales will accelerate the pace of School construction. In FY 2001, an amount of \$130 million for school bond sales has also been included contingent on the School Board's approval of additional allocation of State lottery proceeds to support the additional debt service requirement. Sales of \$100 million per year are scheduled for FY 2002-FY 2005.
  
- Other County funding in support of the FCPS totals \$35.7 million in FY 2001. This includes funding of \$18.5 million for CSA, Head Start and SACC programs, \$7.4 million to support Public School nurses including 5 new nurses in FY 2001 and Clinic Room aides for schools; \$5.7 million for School Resource Officers now assigned to all FCPS high schools, middle schools and alternative schools and school crossing guards, and \$2.4 million for athletic field maintenance and other recreation programs. It should be noted that with the additional Public Health Nurses, the nurse-to-student ratio will decrease from 1:3,384 to 1:3,069 toward the desired ratio of 1:2,000. A detailed summary of this support is provided in the Financial, Statistical and Summary Tables section of this volume.

## Investments That Address Service Requirements

### Public Safety/Court-Related Initiatives:

- **Additional Police Positions:** In order to meet the growing needs for police resources, 18/18.0 SYE additional positions and funding of \$1,001,105 are included. Of this increase, 7/7.0 SYE Public Safety Communications Assistants are necessary to fully staff the new 11.5-hour patrol shift. Under a new community policing initiative, the Department reconfigured its shift patrols in FY 2000. This will allow officers to develop ownership and accountability in the communities in which they are assigned. The Public Safety Communication Assistants are the primary customer service contact with citizens and will support the officers in this new shift configuration. Four (4/4.0 SYE) animal control officers are added to address the staffing requirements associated with the increase in animal-related cases and to provide complete coverage throughout the County. Two (2/2.0 SYE) additional probation counselors are necessary to provide support of the Victim Services Section based on increased workload and new state requirements for enhanced notification and services to crime victims. One (1/1.0 SYE) additional Police Officer II position has been added to address the backlog of child abuse investigations and to initiate proactive investigations to prevent child predatory activity. The remaining positions are included to address workload and administrative requirements in the agency.
- **Police - COPS Universal Hiring Grant:** Funding of \$1,674,775 is included for the FY 2001 local cash match for the U.S. Department of Justice Community Oriented Policing Services (COPS) Universal Hiring grant which was approved by the Board of Supervisors on October 25, 1999 and provides for 25 additional police officers. These officers will support and expand the community policing activities throughout the County and will help staff the new Sully District Police Station scheduled to open in August 2002.
- **Police - COPS in Schools:** Fourteen additional School Resource Officers are included in anticipation of a U.S. Department of Justice COPS in Schools grant to further address the need for police resources in County schools. These positions will handle all calls for services from the school and coordinate the response of other police resources to the school. The grant is for a three-year period totaling \$4.2 million of which \$2.4 million is required in local cash match and \$1.75 million from the Federal government. The total FY 2001 local cash match requirement of the federal grant, anticipated to be awarded in March 2001, is \$930,734. With the

addition of these positions, the County will provide a School Resource Officer in all County middle schools, high schools and alternative schools.

- **Fire and Rescue Inspectors:** Four (4/4.0 SYE) new Senior Building Inspector positions, at a cost of \$186,351 for personnel expenses and \$226,483 for other related costs, are included to improve response time and turnaround time for fire inspections. These positions will allow for a reduction from 30 to 5 days in the lag time between inspection request and actual testing for initial system test. The Virginia Statewide Building Code mandates all fire protection systems be tested and be witnessed by the County's Fire and Rescue Department. The full costs of these positions will be offset by inspection services fees with no net cost to the General Fund.
- **Fire and Rescue Women's Program Officer:** In order to increase the percentage of women firefighters in the agency, 1/1.0 SYE new coordinator position has been included at a cost of \$86,287. The position will work with issues of women in service including retention, career development and conflict resolutions. The number of female firefighters in the agency has remained constant despite the growth in the department and the retention of female officers has been difficult.
- **Animal Shelter Positions:** Funding of \$67,860 is included for 1/1.0 SYE Clerical Specialist and 1/1.0 SYE Volunteer Services Coordinator to address administrative workload in the Animal Shelter as well as enhance communication and education programs regarding Shelter activities.
- **Juvenile and Domestic Relations Court:** Funding of \$256,078 is included for 6/6.5 SYE new positions based on state regulations and workload increase. Three new Probation Counselors have been added to comply with State mandated caseloads in adult probation for offenders convicted of domestic violence and enhanced supervision requirements which increased agency case management hours by 500 percent. Two additional positions are necessary to address workload at the Less Secure Shelter and the new East County Probation Office. In addition, a new Information Technology Program Manager is included to support the agency's technology requirements. Five of the six positions are eligible for 50 percent State reimbursement for salary and benefits; however, reimbursement has not been included pending State budget actions.

#### **Transportation Related Initiatives:**

- **Transportation positions:** To address the growing need for coordination of transportation issues in the County, 5/5.0 SYE new positions have been included at a cost of \$262,336. These positions will provide needed staff

support in the areas of transit operations and management, proffer tracking, traffic operations studies and control and administration. The Department of Transportation has not added additional staff for this purpose since FY 1995 despite the increased requirements for transportation planning and coordination.

- **Metro Funding:** County funding requirements for Metro total \$26.7 million, including \$13.9 million in bond funding, and \$12.7 million in General Funds and approximately \$0.1 million in balance anticipated from FY 2000, which support anticipated increases in the WMATA General Manager's FY 2001 budget proposal. This funding level reflects an increase in the General Fund transfer of \$5.6 million over FY 2000 due to the use, in FY 2000, of \$3.2 million in fund balance to offset FY 2000 expenses as well as a net increase of \$2.4 million associated with increases in the WMATA General Manager's Proposed Budget for new and expanded service requirements. Expansion items include continuation of the Tysons-Bethesda service, extended rail service on weekends, subsidized bus fares on selected routes to encourage rail ridership, additional rail station parking shuttle service, additional bus service for regional routes and funding for the Springfield Circulator Bus Service. Changes associated with the final WMATA adopted budget will be identified, as necessary, in the FY 2000 Carryover Package.
- **Senior Transportation Initiative:** Funding of \$478,361 and 1/1.0 SYE position have been included in FY 2001 to support a new Senior Transportation Initiative. Findings from an October 1999 staff analysis indicate that seniors have difficulty finding out about transportation services available to them and that there are a number of barriers to accessing public transit for seniors including restricted service times and gaps in service, limited pedestrian-friendly access points and routes which are not geared to the needs of our senior residents. In addition, private transit services for seniors are expensive and seniors have little assistance in resolving service issues or concerns. The new Senior Transportation initiative will improve the marketing of public transit services to seniors, establish a hotline to answer seniors' questions about transportation options in the County, improve coordination between transit planning and public transit entities, develop a network of volunteers and organizations to provide transportation to seniors, establish a Pilot Taxi-Cab Voucher Program to subsidize taxi costs for seniors, and establish a pilot program to expand the FASTRAN Dial-a-Ride program.



## Business Operations:

- **Community Services Board (CSB) – Special Education Graduates:** Funding of \$1,267,394 including one additional case manager position will provide for vocational, case management and transportation services for 87 new special education graduates of the Fairfax County Public Schools. Including the June 2000 graduating class, funding of approximately \$13.0 million is included in the CSB budget for services to approximately 800 former and current special education graduates.
- **Athletic Field Maintenance positions:** Funding of \$236,109 and 5/5.0 SYE new positions are included in the Park Authority to address athletic field maintenance requirements. These positions will provide critical support to the maintenance of the Park Authority's athletic fields. The Park Authority has acquired 178 athletic fields since 1977, an increase of 152 percent, and has increased development of its existing fields and extended the field use period by four weeks. Although there has been a significant increase in workload associated with athletic field maintenance, no additional athletic field staff has been added since 1977.
- **Centreville Library and Additional Library Materials:** Funding of \$0.8 million for collection materials includes \$388,905 for the final year of a three-year plan to upgrade the Centreville Library's materials collection to regional status. In addition, funding of \$409,121 is included to cover inflationary increases of library materials.
- **Financial Positions for Department of Housing and Community Development:** Funding of \$255,483 will be provided for 5/5.0 SYE new positions to support increasing reporting requirements from County agencies, State and Federal regulatory agencies, limited partnerships and creditors. The positions, recommended as a result of the FY 1999 audit findings report, will improve the agency reporting and management of the department's financial resources.
- **New Voting Machines:** FY 2001 funding of \$1.0 million will provide for the first year of a five-year plan to replace 835 voting machines with touch screen electronic voting machines. The new touch screen technology requires less storage space and maintenance, has enhanced features for disabled voters, and provides electronic reporting via the Internet. Currently, 75 percent of the County's voting machines are more than 13 years old. In addition, \$225,000 has been provided for 45 additional voting machines based on projected registered voters.
- **Additional Positions:** Including the positions highlighted in this section, a total of 94/99.61 SYE new positions are recommended in the FY 2001 proposed budget. Of this amount, 49 are associated with new facilities or

public safety functions. The remaining 45 positions are included to fund a variety of County requirements as a result of workload increases, the implementation of new service initiatives, or to comply with State mandates.

### **Investments Associated with the Opening of New Facilities**

- **Herndon Harbor House Adult Day Health Care Facility:** An amount of \$439,697 is included to support the new Herndon Harbor House Adult Day Health Care Facility which will provide therapeutic recreation, supervision and health care to older adults with physical, mental and/or social impairments. The 1988 Senior Center study recommended the development of a new multi-purpose facility in the Reston-Herndon area. The facility will include 60 additional apartment units for active seniors of moderate income as an adult day health care center with recreation, health and other programs. Ten (10/10.0 SYE) new positions will staff the facility which will serve 35-40 participants daily.
- **New and Expanded School Age Child Care (SACC) Centers:** Net funding of \$98,821 including 12/9.9 SYE positions is recommended for two school year expansion sites at Braddock (Braddock District) and Hybla Valley (Lee District) Elementary Schools; and one new SACC site at Crestwood Elementary School (Lee District). Scheduled to open during the 2000-2001 school year, the centers will serve 135 additional children.

### **Community Investments**

A number of our programs link County resources with those available in the community to leverage and target total resources toward the most effective and most needed services. In addition, several new programs are included in the FY 2001 budget. Several of these initiatives are designed, in part, to engage our citizens to become more active in identifying solutions to address the needs of our citizens.

- **Faith in Action:** On October 11, 1999, the Board of Supervisors directed staff to develop an approach to provide formal support to “Faith Communities in Action,” an established Countywide network of faith communities engaged in providing human services to individuals and families in need. Funding of \$159,990 and 2/2.0 SYE new positions is included to establish an Interfaith Community Liaison function. These staff members will provide support to a wide variety of community and faith organizations and will nurture collaborative partnerships, provide support in leveraging resources between faith communities, non-profit

organizations, and the County to meet community needs, and provide staff assistance in coordinating Countywide interfaith initiatives.

- **Citizens' Academy:** Funding of \$200,000 has been included for the development of a Fairfax County Citizens' Academy. As a model for civic engagement, the Academy will build capacity in the County's neighborhoods and communities by providing opportunities for leadership development and training of citizens to allow them to address and develop solutions for local issues and concerns. The Academy will provide opportunity for citizens to learn about County government, how it works and how they can become involved in the decision-making processes. The FY 2001 funding will provide for initial development of the Academy with additional staff and other resources to be returned for consideration by the Board during the FY 2002 budget.
- **Expansion of "Closest to the People":** To reach the next generation of County citizens, Fairfax County is partnering with the Fairfax County Public Schools in an initiative called "Closest to the People." In FY 2000, a program of studies has been developed to educate all high school seniors about how their government works. FY 2001 expansion of the program will include the development of curriculum materials for middle school students and interactive learning experiences outside of the classroom. The goal of this initiative is to help young people understand the link between local government and their everyday lives, and to inspire them to become engaged citizens willing to share their ideas and bring their energy to help develop solutions to issues communities face in the new century. More than 10,500 high school seniors will participate in this program in FY 2000 and an additional 20,800 high school senior and eighth grade students will participate in FY 2001. The cost of this program in FY 2001 is \$40,000, with \$30,000 funded by the County and \$10,000 to be provided by Fairfax County Public Schools.
- **Consolidated Community Funding Pool:** A total of \$7.1 million will be available for the Consolidated Community Funding Process, of which \$5.3 million will be in Fund 118, Consolidated Community Funding Pool, and \$1.8 million will be in Fund 142, Community Development Block Grant (CDBG). The FY 2001 allocation for the Consolidated Community Funding Pool reflects an increase of 2.4 percent in anticipation of inflationary cost increases. This funding will be leveraged by community-based agencies through strategies such as cash-match from other non-County sources, in-kind services from volunteers, or contributions from businesses, the ecumenical community and other sources. Based on Board action in FY 2000, the FY 2001

awards will be for a two-year period. All programs funded through this process are required to develop and track program outcome measures.

### **Investments for Accountability in Our Workforce**

FY 2001 marks the initiation of a significant change in the County's compensation program. Clearly employee salaries need to be made more competitive with the market in order to attract and retain the most qualified staff. Our system also must recognize and reward our highest performing employees. Fairfax County employees are the key to quality service provision and our most direct link to our citizens and the community at-large. They are our means of service delivery and our source of service improvements and innovations. Our new compensation program includes several linked components which total \$35.1 million, an increase of \$10.4 million over the FY 2000 level. The revised compensation program is funded entirely within the Budget Guidelines established by the Board.

- **Pay increases resulting from the Market Study:** The results are in from our Market Pay and Benefits Study, conducted for Fairfax County by an outside consultant. As a result of the study, all County employees are recommended to receive an across the board COLA/market rate adjustment of 2.5 percent. In addition, employees in a total of 436 classes (out of approximately 700 classes) that were found to be well below the market are recommended to receive an additional 2 percent or 4 percent increase and will be moved to the correct pay range. The study, which included responses from 17 area public and private employers, and additional data from other customized local surveys as well as national databases, will enable the County to compete in the very tight labor markets. The last comprehensive County pay adjustment based on market data was approved in 1990.
- **Pay for Performance Program:** Starting in FY 2001, Pay for Performance will replace the merit increment system for all merit employees except uniformed public safety personnel. Under our new system, employees will be eligible for increase of 0, 3, 5, or 7 percent based on performance until they reach the top of their market-based pay scale. Employees at the top of the scale may receive a one-time bonus of 3 or 5 percent with superior or exceptional performance ratings. Since September 1999, County senior managers and employees in all departments have been revising and clarifying performance criteria to allow for a comprehensive evaluation of job requirements and achievements.

- **Step Increments for Uniformed Public Safety Personnel:** Public safety employees are on separate pay plans and funding has been included for step increments for public safety personnel who will retain their current pay system through at least FY 2001.

**Details of the proposed new compensation program can be found starting on page 90 of the Overview Volume.**

Other employee related items include:

- **Health Insurance Costs:** In FY 2001, group health insurance premiums total \$28,911,370, an increase of \$3,836,456 or 15.3 percent over the *FY 2000 Revised Budget Plan*. Health Insurance premiums increased primarily as a result of anticipated increases of 15.0 percent for the self-insured program and the County's health maintenance organizations (HMOs). Employees in the County's self-insured Blue Cross/Blue Shield plan will experience a 15 percent increase in FY 2001. The first premium increase for employees since FY 1994 occurred in FY 2000. As health costs nationwide continue to rise after a few years of stability, future cost increases are anticipated. A number of administrative plan adjustments will also be enacted for all County health plans to move to a calendar year enrollment and to move to an "in the month/for the month" payment schedule. These changes have a net cost of \$0 and will bring County plan administration in line with the FCPS.
- **Training Investment:** Additional funding of \$817,524 is included for training investments to address requirements associated with certification/recertification, mission essential requirements, performance management training, employee tuition assistance and information technology training. Included in this amount is funding to continue the career development program designed to foster information technology (IT) professionals and a coordinated career and leadership development program.

### **Investments in Information Technology**

- Seven (7/7.0 SYE) additional positions have been included in the Department of Information Technology at a cost of \$456,238 to support information technology requirements in County agencies. In order to centralize and strengthen Countywide Internet/Web policy and capability, 5/5.0 SYE positions will be added in FY 2001 to provide staff resources to design and support a scalable, more robust, and protected architecture, and to aid agencies with Web-enabling their applications that directly support services they provide to the public. This is

in direct response to the growing demand for Internet based transaction processing, which facilitates ‘e-government’ or direct public access to government information and services—provided cost-effectively, any time, anywhere. One (1/1.0 SYE) new Program Director I position will be added to bring focus to the exploration of emerging technologies that have utility for the entire County government and 1/1.0 SYE Information Technology Educator III position is recommended for the Technical Support Center due to the on-going Countywide migration to PC and LAN based office productivity and enterprise e-mail systems.

- Total funding of \$25.3 million is included for technology initiatives including \$18.4 million transferred from the General Fund, \$5.3 million from E-911 Emergency Telephone Service fees, \$1.2 million in projected interest earnings and \$0.4 million received as a result of the State’s Technology Trust Fund. The technology projects recommended for funding in FY 2001 address a number of information technology priorities and are summarized on the following table.

#### FY 2001 TECHNOLOGY PROJECTS

Priority	Funding
Projects mandated by State/Federal regulations	\$0.09 million
Projects necessary to complete a previous project investment, such as multi-year lease payments	\$6.00 million
Projects that enhance customer access to information on County services	\$1.95 million
Projects that explore technology with application across the County, such as workflow or imaging technology	\$2.47 million
New projects, including those that may be necessary to replace legacy systems	\$3.82 million
Continued investment in technology infrastructure which is necessary for the introduction and continuation of a variety of information systems	\$5.70 million
Projects to support the Public Safety Communications Center (PSCC)	\$5.31 million
<b>TOTAL</b>	<b>\$25.34 million</b>

- **Mandated Projects:** Funding of \$93,000 has been included for a State mandated project for the Juvenile and Domestic Relations District Court system that will provide an automated interface between the County and the Commonwealth’s Juvenile Justice Information System to permit transmission and retrieval of data.
- **Investments to Complete Projects:** Funding is required to meet contractual obligations to complete major technology initiatives undertaken in previous years and to complete the County’s initial investment. Funding of \$2.3 million will support the addition of the remaining applications (special

exceptions, special permits, and variances) not currently available on the Zoning and Planning System (ZAPS) system as well as make improvements to the existing system and provide management reports to track productivity and workload. Funding of \$1.0 million is included to fully fund the computer-assisted mass appraisal (CAMA) project, which represents the final phase of the Tax Systems Modernization Project. In addition, funding of \$0.4 million has been included for several improvements to the County's corporate financial information systems. Funding of \$1.5 million is necessary for the last phase of the three-year effort to implement the Integrated Library System. This final phase will replace current library business applications with an upgraded version, and provide Windows NT LAN services in all libraries for network printing, file storage and sharing, and remote management of resources. Public network workstations will allow library users to maximize the information retrieved from FCPL and remote sources. Self-checkout machines will also be located in all libraries. Finally, \$0.9 million is included for the Circuit Court's Land Records Application Systems for continued data conversion, lease purchase payments of system equipment, and system enhancements for e-commerce functions to Courts Public Access Network (CPAN) integration.

- **Projects that Enhance Customer Access to Services:** Funding of \$1.0 million is included to provide citizens, the business community, and County employees with timely, convenient access to appropriate information 24 hours a day, seven days a week, through various Internet, Kiosk, and Interactive Voice Response (IVR) projects. In addition \$0.3 million is included to provide citizens direct on-line vehicle registration capability in the personal property tax system and \$0.7 million will fund enhancements to the County's Geographical Information Systems (GIS), to enable citizens to electronically access, analyze, and display land-related data.
- **Technology Projects with Countywide Application:** Several projects have technology that can be utilized across organizational boundaries due to its functional capability, thus providing increased benefits to the County. Funding is included to complete the development and implementation of a workflow management technology that will automate current manual processes of sharing data across agencies as well as eliminate the hardcopy of documents where possible. This will streamline and speed up the processing of documents that must move across agencies and offices for completion. Enhancements to the Human Services project including the completion of a workflow and a decision

support system have been funded. Other projects with Countywide application funded include a comprehensive software distribution and desktop management systems that will help manage the County's continuing growth in client/server applications and desktop technical support requests and the purchase of an automated database to manage, analyze, and graphically present the large volume of performance data collected as part of the County's Performance Measurement project. The total costs of these projects is \$2.5 million.

- **New Projects:** Along with several smaller new projects, two significant new projects were funded in FY 2001. Funding of \$1.9 million has been included for a new, three-year project that will fund the conceptual design, business process redesign, COTS package acquisition, acceptance testing, training, conversion, and implementation of a Human Resources Information System. The benefit of a comprehensive system is to implement more efficient processes internally while providing a higher level of management information and employee services. Funding of \$0.8 million is included to fund a comprehensive study of the County's telecommunications systems and service operations to provide recommendations for the way these services can be upgraded and improved in the future.
- **Infrastructure Projects:** FY 2001 funding in the amount of \$5.7 million has been provided to fund necessary infrastructure improvements and other short-term initiatives sponsored by the Department of Information Technology that will promote greater information system efficiencies. These include modernization initiatives and increased storage in the Enterprise Technology Center, updates to the County's communication platform and software, replacement of selected obsolete applications, and information technology training for County staff to maintain consistency with technology changes.
- **Public Safety Communications Network:** Funding of \$5.3 million is included to continue the process of upgrading and replacing the County's Public Safety Communications Network (PSCN). Funding for this project is provided from E-911 fees. The network is vital for ensuring immediate response to emergencies, and replacement is necessary to maintain performance, availability, reliability, and capacity for growth in County population.



Additional information concerning technology initiatives can be found in the FY 2001 Information Technology Plan that will be released in conjunction with the budget and in Fund 104, Information Technology, included in Volume 2 of the FY 2001 Advertised Budget Plan.

## **Investments in our Infrastructure**

- **General Fund Paydown Construction Program:** Funding of \$26.9 million is recommended for the Paydown Construction Program in FY 2001. General Fund transfers in the amount of \$18.6 million and State Aid in the amount of \$8.3 million support this funding level. Major components of the program include: \$4.4 million for County maintenance in areas such as carpet replacement, HVAC/electrical replacement, roof repair, parking lot resurfacing, ADA requirements, and miscellaneous building repair requirements; \$2.0 million for Park maintenance including grounds maintenance work, preventative maintenance items and continued implementation of ADA compliance measures, and \$2.1 million for athletic field improvements to lighting, field maintenance and improvement, and increased mowing. Funding in the amount of \$8.6 million has been included for safety related projects. These include storm drainage, walkways, and streetlight projects as well as funding for construction of the new Forensics Facility for the Police Department. Other paydown projects in the amount of \$9.8 million include a land acquisition reserve, funding to support the commercial revitalization/blight abatement program, court office space and facility renovations, and miscellaneous road and other projects.
- **General Obligation Bond Program:** In FY 2001, an amount of \$212.2 million is included in General Obligation bond funding. Of this amount \$130.0 million is included for school construction and \$13.9 million to support the Metro construction program. Bond funding in the amount of \$12.6 million has been included for various projects administered by the Fairfax County Park Authority such as land acquisition, new athletic field development, renovations to structures, replacement of old and unsafe play equipment, development of a new recreation center in the western part of the County, and various other projects; and as the annual contribution to the Northern Virginia Regional Park Authority's capital program. Bond funding of \$40.7 million is included for Public Safety projects primarily in association with construction of the new Judicial Center Parking Structure and construction of the Mount Vernon, West Springfield, and Sully Police Stations. These projects were approved as part of the November 3, 1998 Public Safety Bond Referendum.

## **TAX RATE AND FEE ADJUSTMENTS**

With the exception of the adjustment noted below, there are no changes in the tax rates, including the real estate and personal property tax rates, included as part of the FY 2001 Advertised Budget Plan. The following adjustments are proposed:

- **Business, Professional and Occupational Licenses (BPOL) Levied on Electric Companies:** The 1999 session of the Virginia General Assembly enacted legislation that will deregulate the sale of electricity. Based on proposed amendments introduced in the 2000 General Assembly, the County can expect to change its Business, Professional and Occupational License (BPOL) tax rate levied on electric companies from 24 cents to 50 cents per \$100 of gross receipts in order to permit the County to achieve the full revenue benefit of statewide deregulation. Without this rate adjustment, the difference between the 24-cent rate and the 50-cent rate would be retained by the State. It is important to note that consumers and electric utility rates will not be paying higher taxes due to this change because the 50-cent rate is incorporated in electric utility rates already being paid. No tax rate adjustment has been factored into the FY 2001 budget, however, it is anticipated that an ordinance change will be considered by the Board of Supervisors by October 2000 once information has been provided by the utility companies regarding consumption.
- **Sewer Service Rate and Availability Charges:** The sewer service rate and sewer availability charge will increase in FY 2001 based on increased costs associated with capital project construction, system operation debt service and upgrades to more effectively reduce nitrogen discharge from wastewater treatment plants in order to meet new, more stringent nitrogen discharge limitations. The sewer service rate will increase from \$2.70 to \$2.81 per 1,000 gallons of water consumption. The sewer availability charge will increase from \$4,621 to \$4,898 for each new home constructed during FY 2001.
- **Solid Waste Landfill Ash Disposal Rate:** The ash disposal rate at the I-95 landfill will be reduced by \$2.50 from \$14 to \$11.50 per ton based on a review of current and projected operations.
- **Discounted Solid Waste Disposal Rate for Commercial Haulers:** To make solid waste disposal rates more competitive in order to maintain sufficient tonnage levels at the Energy Resource and Recovery Facility, a discount fee of \$34 per ton, \$2 per ton less than the FY 2000 rate, will be implemented for all commercial

haulers who contract with the County to deliver their waste tonnages to the County disposal facilities. The basic solid waste disposal fee will remain \$45 per ton.

- **Countywide Special Tax for Gypsy Moth/Cankerworm Suppression Program:** Due to the cyclical nature of gypsy moth and cankerworm populations, no tax levy has been necessary since FY 1997. However, in response to indications that gypsy moth and cankerworm populations may be higher in FY 2001, it will be necessary to levy in FY 2001 a tax of \$0.00096 per \$100 of assessed value (an average of \$1.98 per home) to apply gypsy moth and cankerworm pest treatment. It should be noted that required legislation to expand Fund 116, Gypsy Moth Suppression Program to also cover cankerworms, is pending.

## **FINANCIAL FORECAST**

The Financial Forecast is balanced in FY 2002 and FY 2003. In accordance with the Board's guidelines, increases in County expenditures and the transfer to the Schools have been limited to match the revenue growth rates which is anticipated to be 6.4 percent in FY 2002 and 5.9 percent in FY 2003. These growth rates are slightly lower than the rate achieved in FY 2001 due to an expected moderation in residential property values as interest rates rise. However, as a result, County spending levels are suppressed in order to fit within the scope of the projected revenue growth. Increases associated with our growing population as well as pressures placed on County services from business expansion, State mandates, and other factors can not easily be accommodated within this level of revenue growth. The County will continue to be challenged in order to balance these increasing service requirements and infrastructure needs within the constraints of projected revenue growth. Details of this growth are included in the Financial Forecast section of the Overview Volume.

## **CONCLUSION**

Recognizing that our dollars are limited and our needs are great, we have prepared a budget plan that is both fiscally responsible and financially responsive to the needs of the community and prepared within the Budget Guidelines established by the Board of Supervisors. The competition for funds has never been more intense. This budget does not address every need. Many worthwhile projects remain unfunded or underfunded.

The FY 2001 Advertised Budget Plan has as its priorities: continuing the investments that are making our organization stronger, more accountable and more adaptable to change; increasing our investments in public education in response to our growing and changing community, and ensuring our community is a safe place in which to live. The adaptability, accountability and strength of our organization are critical factors for our continued success in meeting community needs at a time of when we face a number of unknowns, primarily associated with State funding. These unknowns, which are significant, include: the overall level of State funding, support for Schools, and the State and Federal mandates associated with Foster Care and Adoption, the Comprehensive Services Act and the Child Care Assistance Program -- to name just a few.

How we deal with these unknowns and the many competing demands which will confront us as we finalize the FY 2001 Budget Plan will test our commitment to organizational improvement and our discipline to the Budget Guidelines which have served us so well in the financial community. Staff and I look forward to working with you on the FY 2001 budget.

I would like to conclude by acknowledging the significant effort made by staff to prepare this information necessary for the Board and the community to participate in the choices which will continue to keep our community a very desirable place to live, learn, work and play.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'A.H.G. H.' with a stylized flourish at the end.

Anthony H. Griffin  
County Executive